

AMENDED IN ASSEMBLY MARCH 31, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

**ASSEMBLY BILL**

**No. 513**

---

---

**Introduced by Assembly Member Hall**

February 15, 2011

---

---

An act to add Section 1724 to the Civil Code, relating to enforcement of obligations.

LEGISLATIVE COUNSEL'S DIGEST

AB 513, as amended, Hall. Enforcement of obligations: gambling debt.

Existing case law declares the public policy of the state against judicial resolution of civil claims arising out of gambling contracts or transactions absent a statutory right to bring those claims.

~~This bill would declare the intent of the Legislature to enact legislation relating to the enforcement of gambling debt obligations~~ *authorize a tribal gaming operation or a gambling enterprise, or a person acting on behalf of either of those entities, to bring an action in state court to enforce credit instruments that evidence gambling debt, including an action to enforce the debt represented by a credit instrument that is lost or destroyed if the existence of the credit instrument can be proven.*

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 *SECTION 1. Section 1724 is added to the Civil Code, to read:*
- 2 *1724. (a) A tribal gaming operation or gambling enterprise,*
- 3 *or a person acting on behalf of either of those entities, may bring*

1 an action in state court to enforce a credit instrument that  
2 evidences gambling debt.

3 (b) A credit instrument tendered to, and accepted by, a tribal  
4 gaming operation or gambling enterprise, and the debt that the  
5 credit instrument represents, are valid and enforceable by legal  
6 process.

7 (c) A tribal gaming operation or gambling enterprise, or a  
8 person acting on behalf of either of those entities, may accept a  
9 credit instrument before, at the time of, or after the patron incurs  
10 the debt. The credit instrument, and the debt that the credit  
11 instrument represents, are enforceable without regard to whether  
12 the credit instrument was accepted before, at the time of, or after  
13 the debt is incurred.

14 (d) The debt represented by a credit instrument that is lost or  
15 destroyed may be enforced pursuant to this section if the existence  
16 of the credit instrument can be proven.

17 (e) The following definitions apply for purposes of this section:

18 (1) "Gambling enterprise" has the same meaning as defined in  
19 subdivision (m) of Section 19805 of the Business and Professions  
20 Code.

21 (2) "Credit instrument" means a writing that evidences a  
22 gambling debt owed to a tribal gaming operation or gambling  
23 enterprise, and includes any writing taken in consolidation,  
24 redemption, or payment of a previous credit instrument.

25 (3) "Tribal gaming operation" means the business enterprise  
26 that offers and operates gaming activities pursuant to a tribal-state  
27 gaming compact between the state and a federally recognized  
28 Indian tribe.

29 ~~SECTION 1. It is the intent of the Legislature to enact~~  
30 ~~legislation relating to the enforcement of gambling debt obligations.~~